

# CHANGE REQUEST / AMENDMENT

## PIJ ID AD16015 - Shared Hosted Data Center

Arizona Department of Administration

### **Amended 5-Year Lifecycle Budget Estimate:**

Total Development Budget	\$ 6,943,781
<u>Total Operational Budget</u>	<u>\$ 7,898,750</u>
Total Overall Budget	\$ 14,842,531

### **Areas Affected:**

End Date	Yes
Development Costs	No
Scope	No

Original End Date: 01/31/2019

Revised End Date: 06/30/2020

### **Change Description:**

#### **CURRENT AMENDMENT 02: 4/17/19**

The Shared Hosted Data Center Project Investment Justification (PIJ) was approved without conditions by ITAC on September 14, 2016. The project encompassed a planned multi-phased approach with the final objectives being the removal of all infrastructure, including servers, Power Distribution Units (PDUs), Computer Room Air Conditioning (CRAC) Units, switches, cages, racks, etc. from the State Data Center (SDC) by the end of calendar year (CY) 2018. Another objective was to establish a presence at a hosted data center, which could be leveraged by all agencies as a Shared Hosted Data Center for the State of Arizona, with sufficient capacity and scalability to accommodate all agencies' needs for on-premise devices that could not be supported in a cloud-hosted environment.

Original project funding facilitated the removal of all SDC infrastructure. These infrastructure removal activities were successfully completed on schedule by the end of CY 2018, while the development and "stand-up" of a Shared Hosted Data Center was achieved in partnership with Iron Mountain Data Center.

On July 18, 2018, ITAC approved a budget increase change request totalling \$4,697,000.00 (details below). This additional project funding included \$58,000.00 for anticipated operational expenses, and \$4,639,000.00 for additional development costs for the remaining project phases. This additional funding was approved and allocated to this project through the State's legislative budget process.

**With this current Change Request**, the Department of Administration requests approval to extend the project end date to June 30, 2020. The project team is requesting approval to continue with the planned installation of redundant fiber cable to 15 capitol mall buildings, including cloud connectivity and data center equipment. The fiber project was placed on hold until after 1510 data center was vacated to avoid service interruptions. The new timeline takes into consideration potential delays related to permitting and construction. No additional funding is being requested.

#### **PREVIOUS AMENDMENT 01: 07/18/18**

*On September 14, 2016, the Shared Hosted Data Center Project Investment Justification (PIJ) was approved without conditions by ITAC. The project encompasses a planned multi-phased approach with the final objectives being the total removal of all infrastructure (i.e., servers, Power Distribution Units (PDUs), Computer Room Air Conditioning (CRAC) Units, switches, cages, racks, etc. from the State Data Center (SDC), located at 1510 West Adams Street in Phoenix, AZ., by the end of the 2018 calendar year on Monday, December 31, 2018. The second objective was to establish presence at a hosted data center, which can be leveraged by all agencies as a Shared Hosted Data Center for the State of Arizona, with sufficient capacity and scalability to accommodate all agencies' needs for on-premise*

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devices that cannot be supported in a Cloud-hosted environment. As originally identified in PIJ AD16015, funding to proceed with subsequent phases of this project was approved to proceed with the removal of all SDC infrastructure.

The original budget request of \$9,000,000.00 did not include the addition of activities that needed to be performed in Phase 3 of this project, which was the intent of the original PIJ submission for this project. The \$4.6 million request on this Change Request was previously planned to be submitted as this separate request, after progressively elaborating the project and identifying the requirements. Phase 3, which is scheduled to begin during FY19, focuses on moving additional enterprise services .i.e. HRIS, with all of their varied technical complexities.

This Change Request/Amendment is being submitted for approval of FY19 APF funding for remaining phases of this project, including \$58,000.00 in additional Operational Costs, and \$4,639,000.00 in additional Development Costs, for a total additional FY19 funding of \$4,697,000.00 from the FY19 APF Budget, which has been previously approved and allocated to this project through the Governor's budget process. A diagram of the timeline for all phases of this project may be seen below.

### Amended Financial Detail:

APF Funding Source

FY	PIJ Category	Development	Operational	Description
2017	P&OS	\$28,156	\$0	Development Svs - WWT Configuration and Installation Svs
2017	L&M Fees	\$118,955	\$0	Equipment Maintenance
2017	Hardware	\$1,656,008	\$0	DWDM, Switching Devices, AZNet Core Equip, Rack & Power Mgmt
2017	Communications	\$41,051	\$0	Dark Fiber Lease - Carrier Service (Month 1-6)
2017	Facilities	\$245,583	\$740,850	Shared Hosted Data Center Floor Space
2017	Other	\$215,028	\$0	Fiber Splicing/Conduit Built out for Capitol Mall IDF
2018	Communications	\$0	\$41,051	Dark Fiber Lease - Carrier Service (Month 7-18)
2018	Hardware	\$0	\$591,251	DWDM Lease - (Month 7-18)
2018	Facilities	\$0	\$1,481,699	Shared Hosted Data Center Floor Space
2019	Facilities	\$0	\$1,481,699	Shared Hosted Data Center Floor Space
2019	L&M Fees	\$0	\$48,000	DWDM Annual Maintenance
2019	Hardware	\$0	\$10,000	1 Flat Rate Business Line - Mall Emergency /Elevator Connections
2019	P&OS	\$3,749,522	\$0	Shared Hosted Data Center Build-out/Expansion
2020	P&OS	\$889,478	\$0	Shared Hosted Data Center Build-out/Expansion
2020	Facilities	\$0	\$1,752,100	Shared Hosted Data Center Floor Space
2021	Facilities	\$0	\$1,752,100	Shared Hosted Data Center Floor Space

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## Original PIJ Financials (phase 1-2) 9/14/16 ITAC

<i>Five Year Life-Cycle Summary</i>						
<i>Cost Description</i>	<i>FY2017</i>	<i>FY2018</i>	<i>FY2019</i>	<i>FY2020</i>	<i>FY2021</i>	<i>Total</i>
Development Costs	\$2,304,781	\$0	0	\$0	\$0	\$2,304,781
Operational Costs	\$740,850	\$2,114,001	\$1,481,699	\$1,481,699	\$1,481,699	\$7,299,948
Total Project Costs	\$3,045,631	\$2,114,001	\$1,481,699	\$1,481,699	\$1,481,699	\$9,604,729

## Amended PIJ Financials 7/18/18 ITAC

<i>Five Year Life-Cycle Summary</i>						
<i>Cost Description</i>	<i>FY2017</i>	<i>FY2018</i>	<i>FY2019</i>	<i>FY2020</i>	<i>FY2021</i>	<i>Total</i>
Development Costs	\$2,304,781	\$0	\$4,114,000	\$525,000	\$0	\$6,943,781
Operational Costs	\$740,850	\$2,114,001	\$1,539,699	\$1,481,699	\$1,481,699	\$7,357,948
Total Project Costs	\$3,045,631	\$2,114,001	\$5,653,699	\$2,006,699	\$1,481,699	\$14,301,729

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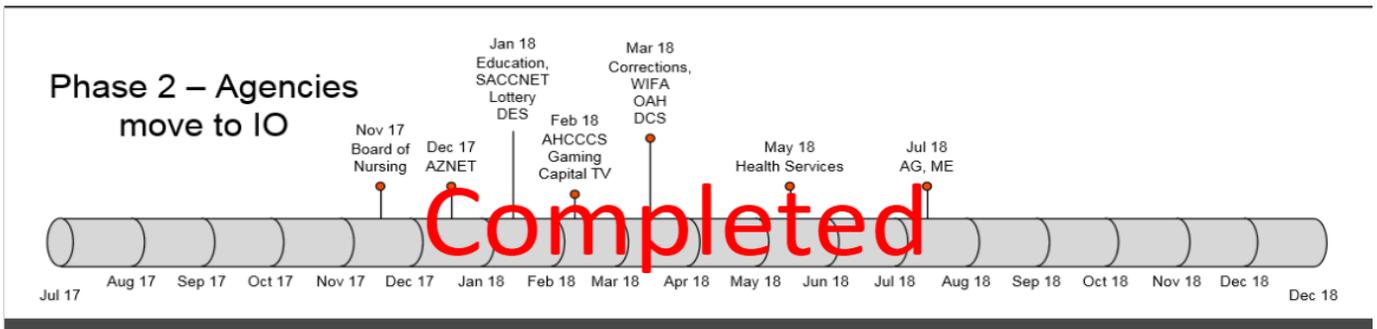
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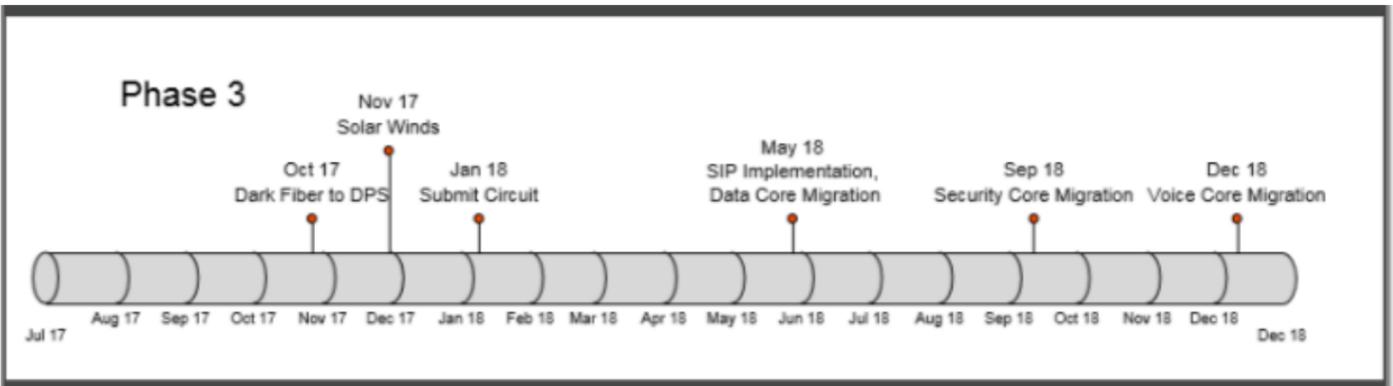
## Project Plan / Roadmap:



### Phase 1



### Phase 2

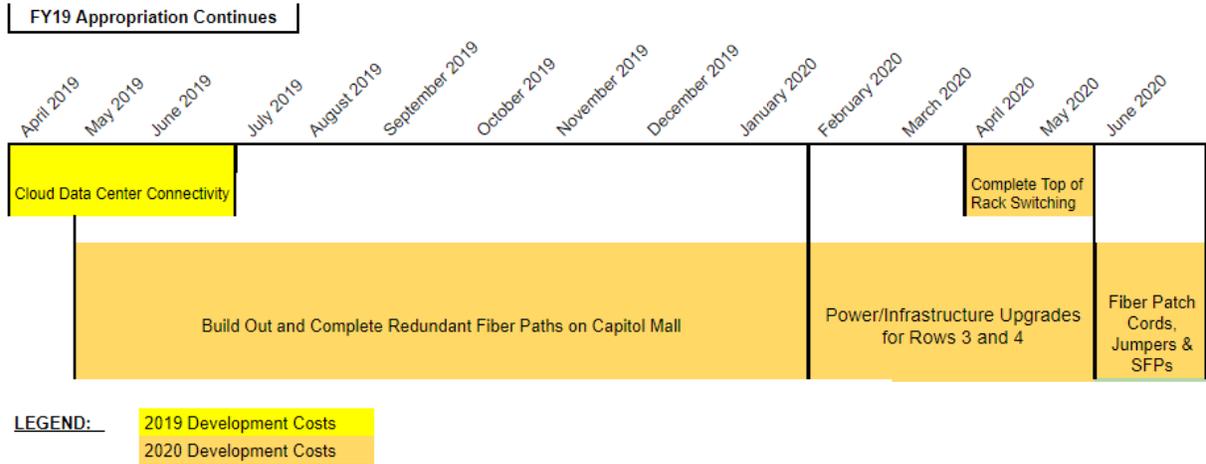


### Phase 3

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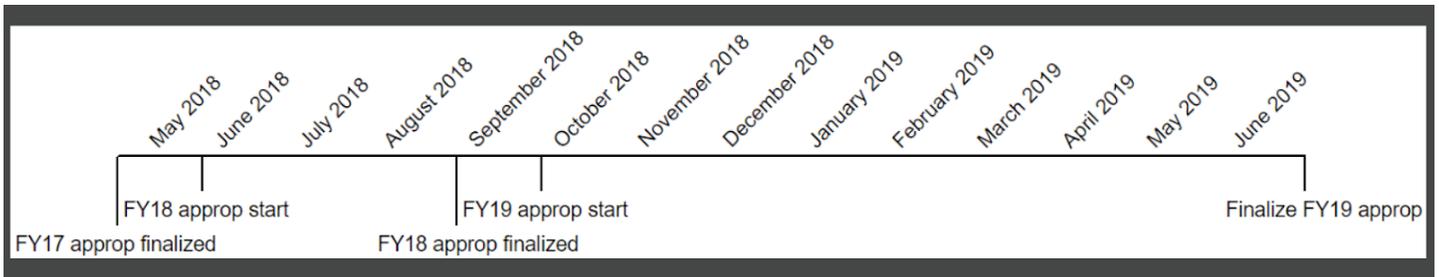
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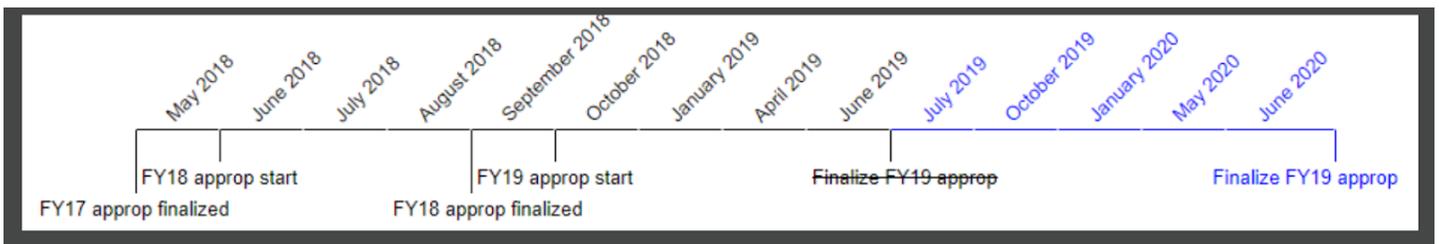


## Phase 4

### Financial Timelines:



### Original Overall Timeline



### NEW Overall Timeline